

State o. Utah

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-358-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

12/29/1998

U S ENERGY CORP 877 N 800 W RIVERTON WY 82501

Re: Request for Annual Report for the Year 1998.

Dear Sirs:

The enclosed report form(s) for the Mine(s) referenced below need to be completed and returned to this office by January 31, 1999.

Mine Status M	Mine Number	Mine Name	Contact Person
INACTIVE N	M170001	TONY M/LUCKY STRIKE	KENNETH WEBBER
INACTIVE	M370040	VELVET	KEN WEBBER
INACTIVE S	S170017	FRANK M MINE	KENNETH WEBBER
PROPOSED S	S370090	WOOD COMPLEX	KENNETH WEBBER

Annual reports are required by Rules R647-3-116 and R647-4-121 of the Division's Amended and New Rules, Minerals Reclamation Program.

Reports are required regardless of annual mine activity, unless you have received a written waiver or formal release from reclamation obligations from the Division.

Thank you for your cooperation and prompt attention to this matter.

Sincerely,

D. Wayne Hedberg Permit Supervisor

Minerals Reclamation Program